



# FEMA

# Fact Sheet

## Financial and Programmatic Grant Monitoring

The Federal Emergency Management Agency's (FEMA) Grant Programs Directorate (GPD) monitors its grants programs to ensure grantees comply with all requirements associated with receiving funding under its programs. These monitoring activities ensure that grantees comply with grant programmatic and financial and administrative requirements; these activities are critical to the responsible stewardship of awarded funds.

### Programmatic Monitoring:

In an effort to assist grantees in complying with these measures, GPD provides guidance to grantees on policies and procedures, grant program requirements, general federal regulations and basic programmatic reporting requirements connected with receiving funding associated with GPD's preparedness grant programs. The programmatic monitoring processes GPD has in place ensures that programs and/or projects initiated by grantees are carried out in a manner consistent with the grantee's stated implementation plan and according to applicable rules and regulations of the awarding office. Additionally, programmatic monitoring can expeditiously identify problems that may impede effective implementation of the funded programs and/or projects and serve to verify program implementation. Programmatic monitoring strategies vary by program, but usually encompass a combination of desk reviews and in-person site visits.

### Financial Monitoring:

FEMA's financial monitoring activities serve as a tool to gauge and measure grantees' compliance with federal policies and regulations. Monitoring is not a one-time event, but an on-going process and includes both desk-based and on-site monitoring activities. The agency employs a proactive approach to

performing general financial monitoring and oversight of FEMA grants and conducts a comprehensive array of post-award administration activities that can reveal a misunderstanding of or non-compliance with federal regulations and the terms and conditions of FEMA grants. FEMA Headquarters is responsible for oversight, management, coordination and analysis of monitoring activities completed by the regions. The ten FEMA regions are responsible for desk based and on-site financial monitoring activities and follow-up resolution, with the exception of the Assistance to Firefighters Grant Programs.

The Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53) mandates the frequency of monitoring activities for preparedness grants. The Act requires FEMA to conduct a programmatic and financial review of all grants awarded to states, territories and urban areas at least once every two years. FEMA developed an annual Monitoring Plan to define FEMA's financial monitoring activities. The monitoring activities serve as a method by which to assist the grantee with the grant process and provide guidance to improve grantee administrative efficiencies.





### Desk-based Financial Monitoring:

Desk-based financial monitoring, or a review of all transactions through a desk review, is executed in the course of post-award administration and seeks to verify that grantees implement grants in compliance with federal regulations and the terms and conditions of FEMA agreement(s). Desk-based financial monitoring results in the identification of exceptions and potential issues related to a grantee's administration of FEMA grants. Examples of potential issues include financial reporting anomalies, inaccurate expenditure reporting or a misunderstanding of or non-compliance with federal cash management requirements. Desk reviews provide high-level assurance for grants financial monitoring in which FEMA can centrally collect and analyze information to assess a grantee's capacity to manage federal funds.

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potential issues include financial reporting anomalies, inaccurate expenditure reporting or a misunderstanding of or non-compliance with federal cash management requirements. Desk reviews provide high-level assurance for grants financial monitoring in which FEMA can centrally collect and analyze information to assess a grantee's capacity to manage federal funds.

### On-site Financial Monitoring:

On-site financial monitoring is conducted through site visits, led by Grants Management Specialists in conjunction with program staff, when possible. FEMA assesses grantees' capability, performance and compliance against the applicable elements that make up each grant, including administrative regulations and public policy requirements, and special and general terms and conditions, as well as those contained in the award letter. The goal of FEMA's on-site financial monitoring activities is to ensure that grantee institutions possess adequate policies, processes and systems to manage FEMA awards. On-site financial monitoring activities involve collecting and analyzing information on the business functions and grant administration practices of grantees. Through these reviews, FEMA assesses its grantees' capacity to administer grants in compliance with federal regulations and evaluates grantee performance in grant administration areas.

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*FEMA leads and supports the nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation, to reduce the loss of life and property and protect the nation from all hazards including natural disasters, acts of terrorism, and other man-made disasters.*

